

UK City of Culture Legacy – A Strategic Cultural Partnership for Derby

Purpose

- 1.1 To update on a research study that has considered options for developing a strategic cultural partnership for Derby. The partnership aims to develop leadership and capacity for the cultural and creative industries sectors to achieve social and economic benefits for Derby.
- 1.2 To share details of a recommended cultural partnership model that develops the role and impact of culture on city priorities and communities whilst supporting the sustainability of the sector.
- 1.3 To outline a roadmap for initiating the cultural partnership, including securing stakeholder commitment, and developing governance, financial and operational models.

Recommendation(s)

- 2.1 To approve the ethos of developing a strategic cultural partnership for Derby.
- 2.2 To approve the convening of a cultural partnership and conducting an options appraisal to determine the most appropriate operating model.
- 2.3 To approve the recruitment of Chair and Co-chairs to the cultural partnership to support development of the options appraisal
- 2.4 To accept £15k funding from Arts Council to support the cultural partnership options appraisal.
- 2.5 To note that the outcome of the options appraisal will be brought back to Cabinet including any implications for the Council.

Reason(s)

- 3.1 Recommendations in this report will develop the leadership, governance, and capacity to deliver on the Derby Partnership cultural ambitions. This includes Vibrant City priorities for an exciting and diverse cultural offer and a potential UK City of Culture bid for 2029.

- 3.2 Proposals have drawn on expert advice and national comparators to identify good practice and define a bespoke model of strategic partnership working for culture in Derby.
- 3.3 Appointment of a Chair and initial Board Members for Culture Derby will enable them to inform the process and shape the final governance and financial model.
- 3.4 The partnership will provide leadership for the creative and cultural sectors on key strategic objectives. It will build on the legacy from Derby's bid for UK City of Culture 2025 and create the foundations for a credible bid for the title in 2029.
- 3.5 The competition for UK City of Culture 2029 will launch in late 2024 with final bids submitted in 2025. If Derby wants to be a contender for the title in 2029 it needs to create the capacity and governance to lead a bid as a priority.
- 3.6 The cultural partnership would be part of a national network established by Arts Council to provide peer to peer learning. Membership would be seen as a Kite-Mark in terms of a Derby's commitment to culture, giving confidence to funders and potential partners. Arts Council have confirmed £15k funding to each of the network members to support capacity and development.

Supporting information

- 4.1 In 2021 Derby City Council received funding from Arts Council England through their Cultural Compacts programme. A Cultural Compact is defined as a strategic partnership bringing together local authorities, business, education, cultural and community leaders, to co-design and deliver a vision for culture. Funding enabled the commissioning of a Derby Cultural Compact Study. This had the following stated aims;
 - Establish new governance arrangements for culture that is representational of Derby's cultural ecosystem from grass roots to NPO's, and is reflective of wider stakeholders and city partnership structures
 - Propose an approach to leadership for culture that secures commitment across a range of sectors and interests
- 4.2 The Cultural Compact Study coincided with Derby's bid for UK City of Culture 2025 and was therefore able to inform and help shape our bid. Derby made it to the longlist of eight places though did not progress to the final shortlist of four. The main feedback from the Expert Advisory Panel related to Derby not having governance and staffing in place that could act as lead accountable body and delivery vehicle for UK City of Culture. Within this context, implementing the proposals developed through the Cultural Compact Study would provide foundation for future ambition.
- 4.3 The Cultural Compact Study proposed the purpose of the Derby model should be to create a step change in the sustainability of the cultural sector, connect to broader aspirations and priorities for Derby, and secure the partnerships with other sectors necessary to realise them. Importantly, the proposed model will not directly deliver cultural programme. Instead, it will help shape policy, drive innovation, lead funding bids and develop partnerships that bring additional resource to the creative and cultural community as a whole.

- 4.4 The study recommended that the partnership is established in the first instance as an un-constituted body with the local authority providing start-up coordination and secretariat support. At this point the un-constituted body will have no legal standing, its purpose will be to define its strategic direction and governance model. This approach will enable the partnership to demonstrate its operational independence, whilst allowing opportunity to develop activity and membership in an accountable fashion.
- 4.5 The model would be a public-private partnership with a set of principles to deliver public value. To achieve this a Memorandum of Understanding (MoU) with major public and private sector partners in the city will be developed to evidence their support which could be a mix of cash and in-kind support.
- 4.6 To provide leadership a 'tribune' of Co-chairs will be recruited. This will include an independent lead Chair to champion the partnership and its mission, a vice-chair with significant Board experience and a developmental Chair representational of Derby's diverse communities.
- 4.7 The Chairs will be answerable to the signatories of the MoU, with local authority providing support to refine business plan priorities, operational model, and financial model. The Chairs will also support the recruitment of further Board members based on defined principles and a competencies matrix.
- 4.8 As the partnership matures, the members and accountable bodies may consider options to become a properly constituted body such as a charity or Community Interest Company. This would enable the organisation to apply for funding, employ staff, hold assets and deliver project activity. At this time the partnership will move towards independence and become arms-length from the Council.
- 4.9 Secondment arrangements were put in place for the City of Culture Bid. This included Chief Executive of QUAD in the Bid Director role and DCC Arts Development Manager in Deputy Bid Director role. These positions have been extended to 31 March 2023 at which point the secondments will end. This will provide short-term capacity to implement the recommendations in this report, supporting the start-up of the un-constituted partnership model, and its transition to a formal legal entity.
- 4.10 Feedback has been provided to Arts Council England on the outcomes of their investment in the Derby Cultural Compact study. This included sharing the proposed partnership model and details of the next steps for implementation. Arts Council have confirmed £15k funding to support the next stage of development.

Public/stakeholder engagement

- 5.1 Derby Partnership Board received a presentation on the cultural partnership model at their September meeting and was supportive of the proposals.
- 5.2 Derby's Strategic Culture Group have contributed and been kept informed throughout the development of the Cultural Compact Study. The group is made up of C.E.O.'s of Derby's leading cultural organisations.

- 5.3 The Derby and Derbyshire Culture Heritage and Tourism Board have received information on the cultural partnership model and are supportive of the proposals.
- 5.4 Arts Council England have received progress reports and final recommendations from the Cultural Compact Study. They are supportive of the proposed approach and have confirmed £15k investment for the next stage of implementation.
- 5.5 In the development of the Cultural Compact Study several key city stakeholders were engaged at senior and executive level and their opinions sought on the role of culture to future city ambition. This included University of Derby, Derby College, Rolls-Royce, Toyota, Alstom, Marketing Derby, Smith Partnership, Business Improvement Districts, Derbion and NHS.

Other options

- 6.1 Do Nothing – it is an option to not progress with the next stage of development of a Cultural Compact for Derby. However, the staged approach limits risk and liability whilst operational and governance models are developed. An update report will be brought back to Cabinet in 2023 that will outline the preferred model and highlight any implications for the Council.

The development of the Compact aims to create a step-change in the role of culture in meeting city economic and social priorities. This through providing leadership and capacity to represent the sector in a range of strategic contexts. Not progressing will limit potential and impact. It would also reduce confidence in the Council's commitment to culture as a driver for city centre regeneration. Particularly amongst partners and stakeholders that have contributed to the development of proposals.

- 6.2 In the delivery of the Compact Study research was undertaken at a local level and good practice was considered at a national level. This included an options appraisal of different benchmark and comparator operational models. Recommendations for the operating model draw on the experience of other Compacts (including Liverpool, Wakefield, Rushmoor), cultural leadership groups and consortia (Plymouth, Sunderland, Sheffield) and Creative People & Places projects nationally. This identified a shortlist of operating models as detailed below.
- 6.3 New Legal Body – a new entity set up to deliver a specific contract or project. The pros are that it is jointly owned by all partners, though can be time consuming and complex to establish.
- 6.4 Lead body plus joint working agreement – one organisation has sole accountability with decision-making and delivery jointly managed through steering group. The pros are that it allows close involvement of all members in management and operation, but decision making can be slow and require extensive negotiation.
- 6.5 Lead body plus subcontracting – one organisation has sole accountability with delivery managed through overarching terms and separate contracts between lead body and each member. Pros are that delivery partners can concentrate on their area of expertise and lead body can support capacity building and negotiation with funders, but relies on the lead body being trusted, sufficiently resourced with a track record in contract management.

- 6.6 Un-constituted body – local authority acts as accountable body for the Compact and contracts delivery partners on behalf of the Compact. Pros are that the Council provides secretariat, legal and procurement support, and ability to align delivery with Council objectives, but difficult for the Compact to assert and demonstrate independence and is vulnerable to impacts on Council finances and capacity.
- 6.7 The un-constituted body is the recommended start-up option as it provides capacity and support in the early stages of the Compact's development. This enabling a staged approach to development, recruitment of Chairs and Board and business planning. This approach also allows Board to explore options, define and take ownership of its own governance for the longer term.

Financial and value for money issues

- 7.1 The next stage of development activity enabled through this report will not create any additional financial impact on the Council.
- 7.2 Arts Council has established a network of places with Cultural Compacts. This is a conduit for allocation of development funding, with an initial award of £15k to each Compact currently in process. In Derby this will support the next stage of development enabled through this report.
- 7.3 Longer term it is anticipated that the Compact will present value for money through attracting new investment and grant funding to the city, and through better strategic alignment of cultural delivery with city priorities. The potential of this approach has been demonstrated through a regional Creative Industries bid to the DCMS Create Growth Fund. Working with a consortium from Leicester and Lincoln, £1.6m has been secured over two years and is expected to attract further investment as the programme develops.

Legal implications

- 8.1 There are no direct legal implications to the Council from the recommendations within this report. As the partnership model develops consideration of the Council's relationship with any new entity will need to be considered from a legal perspective. This will be a key consideration within the next stage of development and any implications will be reported back to Cabinet.

Climate implications

- 9.1 None arising from this report.

Socio-Economic implications

- 10.1 The partnership aims to better align the cultural and creative sectors with city strategic priorities. It is anticipated that this will generate new resources and collaborative approaches to delivery that achieve better social and economic outcomes for Derby and its communities.

Other significant implications

11.1 None arising from this report.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal	Emily Feenan	28 October 2022
Finance	Janice Hadfield	13 October 2022
Service Director(s)	Claire Davenport	27 October 2022
Report sponsor	Rachel North	28 October 2022
Other(s)		

Background papers:
List of appendices: